

**SPECIAL COMMITTEE ON ENERGY CONTRACTS  
AND RELATED PROJECTS**

**September 26, 2006**

**5:00 PM**

Chairman Thibault calls the meeting to order.

The Clerk calls the roll.

Present: Alderman Thibault, Lopez, Long

Absent: Aldermen Forest, Garrity

Messrs.: R. Sherman, T. Arnold, K. Dillon, T. Bowen, H. Bingel

Chairman Thibault addressed Item 3 of the agenda:

- . Communication from Mayor Guinta submitting a plan to terminate the Aggregation program.

Discussion ensued where Mr. Sherman informed the Committee that departments were okay with closing it out over a period of time rather than all in a lump sum. The reason that they said that was at the time they said that we still had a bit of a program going on but the reason they said it is because the Solicitor has consistently ruled that in order to close it out you need an appropriation to charge those dollars to. That is what has always held the Board back from closing it out because it was always such a large number and every year it has gotten a little bit larger because we have been charging it interest but you need to have an appropriation so when the Mayor sat down and looked at it this year he said I am not going to put in an appropriating resolution for an annual budget. I am closing this thing out and I am going to figure out how to make it go away. He went back and he looked at or we went back and I remember the conversations that we had and we looked at where all of the savings were during the program because electric rates did go down. Now they have gone down and come back up and are going back down again but every City department in the City that pays an electric bill has saved money due to the program. When he looked at it he said okay I am going to make this thing go away and we are going to allocate it out through everybody that has had savings and if they have an appropriation to pay it they can pay it now or if they don't have an appropriation to charge it to we can let them

pay it for up to five years. So in going back and talking to the individual departments that are part of this, folks like the Airport have said we would just as soon pay it out of FY06 and make it go away. Other folks like EPD have said well if we are going to pay it that is okay but we are going to pay it over a five-year period. On the City side we happen to have in FY06 sufficient dollars left in the contingency account, which effectively is an appropriation where you can say okay charge it against that appropriation and make it go away. Now you are right Alderman. You could say no I don't want to do that and I will appropriate funds over the next five years or three years or whatever formula you want to use to make that \$280,000 go away but in doing that you have to understand that it will add to future year's tax rates but it will not reduce your FY07 tax rate because by not using the contingency account doesn't create more fund balance in FY06 because in FY06 whether I pay it against an appropriation or just record it as a liability doesn't change my fund balance. If we billed out aggregation to EPD and Water and the others, at the end of FY06 they will have a liability on the books. Now whether they paid it or not like Airport is planning on just paying it, it still impacts their fund balance or their retained earnings but it is a matter of the cash going back and forth. So under the general fund whether you use an available appropriation that we currently have that we can use or if you want to say no I don't want to use that appropriation, you then have to create appropriations in future years to effectively pay it. So it doesn't...and that is what the Mayor said. He said if I have an appropriation and I can use it, I will make it go away this year as far as the general fund and the rest of them can literally move the money around in future years.

Alderman Lopez asked why are you saying...what we have always done since I have been here is take, whether it is contingency or the fund balance, when you went up to DRA you included all of that revenue and moved it into the tax year and now we are saying it is a little different here because you have a deficit. I understand that. I believe that is what you are saying. Because you have a deficit and you have the \$280,000 that you don't want to apply it to the tax rate, you just want to use it.

Mr. Sherman answered effectively the \$280,000, you are right, has flown down to the fund balance but as an offset. I have booked a liability so that \$280,000 is offsetting the liability because the liability flows to the fund balance in the opposite direction. It takes money back out so right now I have got a liability on the books.

Alderman Lopez stated but you could have a liability on the books for FY07 as well as FY06.

Mr. Sherman responded you could but it doesn't change the fund balance. That is the same for anything. Whether a department goes out and buys something in June and I pay for it on June 30 or I pay it on July 1 it doesn't matter. It is still booked in that fiscal year and it doesn't change the bottom line. It changes the cash in that situation.

Alderman Lopez stated let's talk about the Aggregation account. Well let me back up. You are going to say that the School Department has a liability?

Mr. Sherman responded the School Department realized savings from the program.

Alderman Lopez asked so we are going to give them a liability of \$353,000.

Mr. Sherman answered you would send them a liability. Now keep in mind on the flip side they are also getting \$400,000 back or they should be getting \$400,000 back from the Retirement Board and what I would say is if they had taken as much care with paying the Retirement Board as they do in paying the bills to the City and Parks & Recreation and the other issues, they never would have paid that \$400,000 but there is a \$400,000 check or a credit with interest coming back to the School Department so they have the funds available to that they could pay it if they wanted to or they could take it out over five years.

Alderman Lopez responded I am not going to compete with you on the financial aspects of what you are speaking of but I need to speak to the ruling from the Superior Court and our City Solicitor, unless he has changed his mind, has already informed us that we have to have an agreement with them. I am just wondering how we can make them have a liability.

Mr. Sherman replied the School Department has to pay their liabilities. You are absolutely correct. You can't tell them how to spend their money. You can't say okay you have to put it towards lacrosse and you have to do this and that but if they have a liability they have to pay their liability. If you go out...you just went out and changed the health benefit...you added a health benefit subsidy to the retirement plan. Did you consult with School on that? You didn't. I mean School now pays it. It is a liability that they now have to pay. If health insurance goes up, they pay it. It is a liability that they have to pay.

Alderman Lopez asked, Deputy Solicitor Arnold, do you agree with that or disagree.

Thomas Arnold, Deputy Solicitor, answered I think I agree and I say I think because I would like to go back and look at those agreements again but as a general matter yes I think I agree.

Alderman Lopez stated let me ask a couple of other questions, Randy, for the record. Was it proper accounting that we put this in the Enterprise fund?

Mr. Sherman responded the way the statute is written it says you can't use general tax dollars to run an aggregation program. So it was set-up as an Enterprise with the whole concept that when you aggregated you would be taking a profit to pay your costs, which is like what any other utility does. The problem is the way the market never materialized there was never an opportunity to aggregate but all of the costs that you incurred to get the lower electric rates and everything else, you are right. In hindsight that all could have been borne out of the already pre-existing funds because the only reason you really did separate it out is because the statute said that aggregation has to be accounted for separately and funded with its own revenue stream but in essence you never aggregated.

Alderman Lopez stated the Enterprise designation, which is correct from what you are saying, if the City were to write this off due to the aggregation fund could the revenue stabilization account be used.

Mr. Sherman responded the revenue stabilization account is intended for a shortfall of revenues at the end of a fiscal year.

Alderman Lopez asked but wasn't it revenues that drove the aggregation fund. We were going to get those revenues just like...to make it simple just like Central Purchasing where we were going to receive revenues in order to pay for it.

Mr. Sherman answered but it wasn't part of your tax base. The issue is that when you go out and set your taxes and you say okay I am going to collect \$50 million...I have a \$200 million budget and I am going to collect \$50 million and I am going to raise \$150 million at the end of the year if you only collect \$48 million then you have spent \$2 million that you never collected. That is when you go over and tap the rainy day fund.

Alderman Lopez stated I asked the City Clerk to send out a correspondence to department heads. Did you get any response?

Deputy City Clerk Johnson replied we got two responses. One was from School and one was from Parks & Recreation.

Alderman Lopez asked do we have those.

Deputy City Clerk Johnson answered they should have been distributed. I have copies.

Alderman Lopez asked is the auditor coming in the first of October.

Mr. Sherman answered the audit manager will be in next week yes.

Alderman Lopez stated I would like to get an appointment with him.

Mr. Sherman responded sure.

Alderman Lopez stated there are a couple of points I want to make. We are going to be adding \$52,000 to Parks & Recreation in the Enterprise fund so that is less money they are going to have to move forward and that deficit that the Parks Department is going to have is going to be about \$750,000. I want to bring that point out for the record. Secondly, in the correspondence from the Superintendent it says:

“In response to your letter of September 21 we have reviewed the calculations for the aggregation fund close-out. The documentation does not identify how the savings of \$445,860 was calculated. In addition, the School District’s share of the deficit, \$353,267.48, is not proportionate to the savings share.”

So they are saying that they want all kinds of back-up information and it is going to be a liability just for the record. I surely don’t want to go through another court procedure over this issue and I would hope that the City Solicitor is correct in his assumption and you are correct in your assumption and we don’t find out in the paper that we are going to go to court over this issue. The Airport Director is here and he can speak for himself. I am sure that he has enough money at the Airport to pay for it. I presume and he can just shake his head that he agrees with it and Mr. Bowen. Mr. Chairman, can they go on record as to what...

Chairman Thibault interjected Kevin do you have something to say.

Kevin Dillon, Airport Director, stated I was just responding to your question as to whether or not we have the money to pay for it. We do have the money to pay for it and we would prefer to pay for it, if we have to pay for it, in one fiscal year because it helps us with our bond coverage to make the payment at once versus spreading it out over a period of time. I guess the only question that we have and this is something that I am receiving verification on hopefully from the Finance Department and that is understanding the calculation. While I agree in principle

that the Airport does have an obligation to repay the aggregation fund to the extent that we benefited from the aggregation fund or contributed to the cost of the aggregation fund, we are just trying to understand the methodology that was used to come up with the proportionate share for the Airport versus other departments.

Thomas Bowen, Water Works Director, stated I think we are pretty much in the same boat that Kevin is in other than we do not feel that we are going to be able to make the payment in one lump sum. I think our payment is \$250,000 or slightly in excess of that and that is going to have a major impact on our operating budget. I guess I would comment, however, that this is a payment five years after the program is completed for all practical purposes and from our perspective it is inappropriate to be honest with you. Now we have made comments to the Mayor's Office that with proper documentation and so forth and we are still receiving some information from the Finance Department, that we would be willing to pay our share but when this program first started there was a presentation that was made to the Water Board during one of our budget presentations and the request that came into the Board was for \$26,000. At the end of the day here we made that \$26,000 payment. We made payments for improvements and realized some savings but we paid for the improvements ourselves out of our budget as an Enterprise fund and now at the end of the day we are getting tagged with a \$250,000 bill when the program is basically being collapsed and it is gone. We would prefer that in the future programs like this or when there is something that comes up that the department heads in the departments that are expected to contribute be consulted and that we be brought in at an early stage so we know what the long-term commitment is going to have to be for this. We are in the same situation that everybody else is with budgeting and we have to know this up front and not at the end of the day.

Alderman Lopez asked is it something that the Commissioner's would vote on or is that under your authority.

Mr. Bowen answered the Commissioners are going to have to vote on this. We do not have money appropriated in our budget right now to pay for it. It would be in our budget. We are on a calendar year budget so we are anticipating to bring a line item forward for January 1 and we will have a discussion as to whether it can be done in one year or spread over a number of years but just looking at it the way it stands right now I think we are going to have to pay for it over a four or five year period.

Alderman Lopez stated from what I understand most people are going to do it over four or five years. I want to make it very clear that I want to get rid of it too. I don't personally think that it is the way to go. One last question I would have for Finance is if by chance we say that there is a liability and these people say you

can't produce the evidence to prove that they owe this type of money, who ends up paying for it? The City or do you continue to carry it as a liability?

Mr. Sherman asked are you talking about the School District.

Alderman Lopez answered I am talking about the School District, Water Works or Airport.

Mr. Sherman stated I can tell you and again you may recall we actually had a UNH student come in and he went back through every electric bill for almost the last 10 years and did all of the calculations to show all of the savings. That has been sent to Parks, Water, and Airport. I didn't get any calls from School but I will gladly send it over to Karen DeFrancis so she can see it as well. Reading their letter that is their issue because they haven't seen that yet. At the end of the day on the City side again it is going to need an appropriation so if School doesn't pay it then an appropriation will have to come...if the Board decides that it is general fund then it will have to come and there will have to be future appropriations. At the end of the day between City and School it is coming from the same place. It was a program. It saved some money and in theory reduced the tax rates for prior years and now it is unfortunate but it is time to make it go away.

Alderman Lopez stated I would like to make one last comment. We are not only in this mess but other situations such as when we passed the budget we passed revenue that the Building Department said they were going to get, the parking as I mentioned, and I think the City Solicitor and City Clerk should take note so that we don't run into this situation. In conversations I have had with the Finance Officer, it was closed out. It was a recommendation that was presented by the Mayor. No action was ever taken on it so they closed it out. Secondly, there was no Resolution for aggregation. I believe if the duties...we are lay people to a degree. We are not being paid big money so I think it is the fiduciary responsibility of everybody concerned if there is a procedure that has to take place before the budget is final I think it is their responsibility to inform us that hey you know aggregation is gone. You know that you don't have a Resolution. It is gone. I hope that we look in the budget next year to make sure and I have had discussions with the Chief Finance Officer and Randy on this. As far as I am concerned and what we have to relay to other people is that we are in a budget process. We do a budget process and you have 14 people who have made a decision to move forward whether it be with revenue if we have to go to the Committee before we finalize the vote that is what we should do. We should not do things after the fact and say oh well it is gone. I just caution that next year we bring these things to our attention because when you are in the budget process you are thinking...you know Randy because we have been through it. You are looking at revenue and the tax rate and expenditures and some of these things can slip

through the cracks so to speak but somebody has to bring it to our attention so we know what it means once we pass the budget. I would hope that we have all of the Resolutions or whatever needs to be done or whatever Committee it needs to go through to get some answers from the Committee. Mr. Chairman we are going through the same thing with Central Purchasing right now. All of these things get caught up in the system and then we lose out as taxpayers.

Alderman Long asked Randy how long has this plan been impractical or are there some savings today.

Mr. Sherman answered again the sheet that we had and the intern had calculated it through March 2005 we had recognized almost \$2.5 million of savings. Now we spent \$1.8 million to get there and I am not sure if that is the best business offset there but it is actually not a bad return. This was before the recent 15% reduction that Public Service came through with this year and again that all does go back to the deregulation and all of the hearings that the City participated in. The reason for the 15% drop this year is because the stranded costs for Seabrook are going away. That was a big bone of contention when we were going through all of the hearings up in Concord. It is an industry that is always going to fluctuate based on the price of their fuel so you are going to see it bounce back and forth but we have seen savings.

Alderman Long asked the interest is calculated when – once we close out of this or are we paying interest on this now.

Mr. Sherman responded because the program never had an abundance of revenues, and there were dribs and drabs of revenues that came into the program but because it didn't have sufficient revenues to cover the cash flow in essence the program was given a loan from the general fund for cash. So every month based on the amount of that loan...it was sort of a revolving line of credit, they would get charged that interest. So out of the \$1.8 million, a few hundred thousand of that are interest charges. Again, once this goes away...I mean we haven't calculated any additional interest since June 30 because at that point we were figuring it was gone.

Alderman Long asked so the ultimate responsibility is the general fund, is the City for all of these entities. Of course the Airport as Mr. Dillon just stated will pay theirs right off.

Mr. Sherman replied again all of these entities realized savings and we have gone back and calculated each individual account. Even with Parks we said this is the general fund account and these are the Enterprise accounts. So those are the



savings that are shown on that sheet and then we have taken it and allocated it across.

Alderman Long stated if we advise the Board to spread this over five years we are going to add \$56,200. What would be the interest on that? What is the interest now?

Mr. Sherman stated right now interest rates are over 5% that we are getting. If you did that for the next five years you would have to appropriate that \$56,000 so maybe \$60,000 a year for the next five years and it doesn't create any more fund balance that you can apply against the property taxes for FY07.

Alderman Long stated you also stated that the aggregation needs to be funded by profit and not tax funds.

Mr. Sherman replied the way that the statute is is if you are going to go out and aggregate it is a voluntary program to join the aggregation. The idea was that you would take all of your residents and businesses and actually go out and procure power for them. It was an opt in process, not an opt out so you had to actually sign up to join the program. The way the statute is is that in theory only those who opt in should pay for the program so there were to be no tax dollars to pay for the cost of aggregating the electric or natural gas loads or whatever but because the market never developed and we did issue an RFP several times and had no takers on it but because the market never developed there were no revenues that were ever generated from aggregating. The program did...obviously it went up and dealt with the PUC and that is really where a majority of these costs come from – all of the hearings and testimony in dealing with the entire restructuring of the utility.

Alderman Long asked so in essence the money being appropriated from the general fund is not really tax revenue but savings that we received.

Mr. Sherman answered it is savings that you received from prior years. Yes.

Alderman Long stated the Mayor's recommendation with respect to the Enterprise funds FY07...we just heard from Water...

Mr. Sherman interjected that they would like to have up until 2011.

Alderman Long stated so that recommendation is...there is a glitch in that one. The second one is the general fund pay back in FY06 from contingency and then the City will enter into negotiations with the School District to pay back their share – wherever that is going to go. I don't know, Mr. Chairman, do we need all

of these entities...do we need to hear from all of these entities to see exactly how they can pay. Why would we make a motion if we don't even know what these other entities are going to be able to pay?

Alderman Lopez stated I think what the Finance Officer is saying is he is going to charge them a liability from the City side period and if they take five years to pay it off fine. If they decide they don't want to pay it then it is an argument between the City Solicitor, Finance and their people to solve the problem. On the School side if they decide not to pay and they want to go to court well then Tom Arnold has some work to do.

Mr. Sherman responded if I could make a recommendation it would be to amend the Mayor's suggestion on Item 1 and make it FY2011. That gives them the option of paying quicker than that but that is the outside, which is what your auditor said to give them five years. I would recommend leaving Item 2 and 3 as well. I will get Superintendent Ludwell and Karen DeFrancis the back-up like every other department has had.

Alderman Lopez stated I disagree until I talk to an auditor as to whether or not...

Chairman Thibault interjected well what do you want to do with it. Do you want to send it to another Committee or to the full Board?

Alderman Lopez responded I think we ought to pay it off in five years.

Chairman Thibault stated well let's make that motion that we should pay it off in five years.

Alderman Lopez replied well I have to find out from the auditor whether or not...I disagree with maybe your accounting because of the deficit but I have to check on the \$280,000. I strongly believe that it could be put towards the tax rate for FY06. I know and I am not disputing what you or the Chief Finance Officer are saying but we have done all of those things in the past. Any fund balance we have had at the end of the year goes towards the tax rate.

Chairman Thibault stated maybe we can have the internal auditor appear before this Committee and explain to us exactly where that is at if you want to do that.

Mr. Sherman stated obviously we would like to move the process along to the Board meeting. Kevin suggested that maybe you move it out of Committee one way or the other and then clearly you will be able to, before the Board meeting, meet with the auditor next week so at least it will be on the Board's agenda and at that point you will have had your clarification.

Alderman Long moved that the Enterprise fund and the general fund pay back their share of the aggregation program by the end of FY2011. Alderman Lopez duly seconded the motion. Chairman Thibault called for a vote. There being none opposed, the motion carried.

Deputy City Clerk Johnson asked are we addressing Item 3 at all.

Mr. Sherman asked what did you want to do with the School District.

Deputy City Clerk Johnson stated the last item on the recommendation was the School District and you didn't mention that in your motion so I am not clear what...

Alderman Long interjected that is part of the motion – that the City enter into negotiations with the School District to develop a plan to pay it back.

Deputy Clerk Johnson asked to develop a plan to have the pay back by the same date. Is that what you are saying?

Alderman Lopez replied I think what Randy is saying and correct me if I am wrong is that the reason you want it for 2011 is that if they wanted to pay it off in FY07 or FY08 they could do it.

Mr. Sherman responded right they could pay it if they had the funds available.

Deputy City Clerk Johnson asked so negotiations with the School District would be under the same premise.

Alderman Lopez answered yes.

Deputy City Clerk Johnson asked did you want to just include that in the motion that carried or are we taking that as a new motion.

Alderman Long stated I will include that in the same motion.

Alderman Lopez stated I agree with that.

Chairman Thibault called for a vote to include the School District in the motion that carried. There was no opposition.

Chairman Thibault addressed Item 4 of the agenda:

Communication from the NH Sierra Club seeking the City's support of the Cool Cities program which addresses global warming by encouraging the implementation of smart energy solutions in local communities.

Deputy City Clerk Johnson stated we would note, Mr. Chairman, that we have submitted an additional handout from the Sierra Club.

Alderman Lopez asked can we get a small presentation.

Chairman Thibault answered sure I think we have some people here. Can you give us a little idea as to what we are doing here?

Harriet Bingel, Sierra Club, stated I am from Ward 10 and with me is Sarah MacNeil from Ward 5 and Luis Raymondo. We are the Manchester members of the Sierra Club and we have hundreds of Manchester residents who have been signing these postcards for us and we wanted to give you some information about this program. This program addresses global warming by encouraging the implementation of smart energy solutions in the local communities and calls for local officials to support the U.S. Conference of Mayor's Climate Protection Agreement and reduce the City's carbon dioxide pollution 7% below 1990 levels. Mayor Baines had signed on to this last October. We are here to ask you to recommend to the Board as a whole to become a cool City and to encourage Mayor Guinta to continue Manchester's commitment to the program by signing on to the U.S. Conference of Mayor's Climate Protection Agreement. Right now there are over 303 cities and towns across the country that participate in cool cities and many have already exceeded their goals. Keene is a very active city. Hanover, Nashua and Dover are also part of the program and it has begun to save energy and money. By taking simple low or no cost steps, Manchester will become more energy efficient. The money saved on energy costs can be reappropriated to schools and other areas where more funding is needed. We have included some handouts that we gave you this afternoon. It shows examples of what Manchester is doing now. I am not saying that...you know they have taken a lot of positive steps but it helps to tighten the money spent on the infrastructure. Then there is another list of additional suggestions that Manchester can do. Many of them are very simple, from maintaining proper tire pressure in all of the City-owned vehicles to using alternative fuel to timers or motion sensors in City buildings and enhanced participation in the recycling program. Also to enforce the state's no idling law on all public vehicles. Gentlemen, do you have any questions?

Alderman Long asked do you know what Manchester would need to do to fall in line with this with respect to changing the HVAC's and our fleet of vehicles – the cost.

Ms. Bingel asked are you looking for a definitive cost.

Alderman Long answered no I am not looking for you to give me a definitive cost. I am looking...do you know from what you observe what Manchester would need to do that would cost money. For example the vehicles. You would want low emission vehicles so that would be a cost – getting new cars.

Ms. Bingel replied that is correct but there are a number of different types of choices that can be made when buying City-owned vehicles because you need to look at the purpose of the vehicle. The vehicle you purchase, like a truck, it might be more equitable to use a compressed gas or an alternative flex fuel engine because it might be a truck that hauls tree trunks. The vehicle that maybe the City Police Chief uses, it might be more appropriate that he uses a hybrid type technology so he would be burning less gas and it is also more efficient and more suitable for the purposes he is using it for. You would definitely want to look into that as to what is appropriate for the vehicle and this type of savings would occur as you turn over your vehicles. That is when you would turn to this new technology. I am aware that the City of Manchester when they do install their new traffic lights that they are using the LED system. Now I am not proposing that you rip out all of your traffic lights and put in LED's but to encourage that type of savings.

Alderman Long responded okay that makes sense. So if our fleet was deemed not usable anymore and we are looking for more vehicles then we would be searching under these criteria. I agree with that.

Mr. Bingel stated I have a 2002 Prius and the 2006 is really enhanced so I am sure that as each year goes there will be some better things for the City to look at. They just have to assess it year by year and vehicle by vehicle and the needs.

Alderman Lopez asked is this the first time you have appeared before the Committee for cool cities.

Ms. Bingel answered that is correct.

Alderman Lopez stated the one area there...what do you know about...you have here enforce the state's no idling law on police vehicles and that.

Ms. Bingel asked do you want to know what that proposal involves.

Alderman Lopez answered yes.

Ms. Bingel stated I believe Keene is the one that has been really active in that and I want to say they have saved around \$4,500 in gasoline costs by asking their police officers that if they are going to sit for a minute or longer to turn off the engines. A lot of issues that I can think of as I have a nephew who is a state police officer they feel that their car isn't as ready but in the test times it is appropriate as the car will be turned on and you will be able to pursue your victim or whoever you are chasing in a timely manner, not victim.

Alderman Lopez asked do you know and you probably have it in here someplace but is there an initial cost that we have to put up for this or anything.

Ms. Bingel answered I am sure that as you look at it there will be some items that will require an initial cost. When you buy a new vehicle that is an initial cost. You are not going to recoup 100% if you are getting rid of an old item. Installing motion sensors might cause an initial cost. That has always been found to be very effective as far as turning lights on and off in bathrooms and having the water turn on and off. That is a very good conservation idea.

Alderman Lopez asked and this has nothing to do with different paths in parks like Veteran's Memorial Park and changing the lighting there or anything like that.

Ms. Bingel answered well you know that is a valid idea for saving energy by changing incandescent bulbs to fluorescent or compact fluorescent and I am going to guess that is something that everybody knows and is really active in getting done because that...I know I saved over \$20/month when I changed all of my bulbs in my house.

Alderman Lopez stated we were going to save energy before and now it is going to cost us \$1.8 million. Just keep that in mind.

Ms. Bingel responded well I realize that for some items it is seems like a long-term money cost changeover but look at our landfill. We just put in a second generator there and hopefully what it generates and using the methane that comes off of it in an environmentally sound manner, those costs need to be looked at. No I can't tell you some long-term environmental or health costs that can be gained by having a cleaner environment.

Alderman Lopez stated what we are doing is looking at our parks and putting in better lighting and more lighting because people want to walk through there at night and we don't want it dark. All of these other ideas are good. You know, Mr. Chairman, I think that we ought to pass this on to the full Board with a recommendation that a Committee be established and since most of it belongs to Kevin Sheppard and the Highway Department maybe the Committee ought to be

made up of Highway, Traffic, Building Maintenance and Joanne McLaughlin and maybe they can report back to the Committee as they proceed. Manchester is doing very good as far as the traffic signals. We can just keep monitoring it and pass it on to the full Board and make a recommendation that we become a cool city.

On motion of Alderman Lopez, duly seconded by Alderman Long, it was voted to recommend that the City endorse the Cool Cities program and authorize the Mayor to sign the U.S. Conference of Mayor's Climate Protection Agreement to encourage implementation of smart energy solutions and that a staff team consisting of representatives from Highway, Traffic, Building Maintenance and the Recycling Coordinator review the materials and report back to the Board as necessary.

There being no further business, on motion of Alderman Long, duly seconded by Alderman Lopez, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee